Comparisons of M&I Shortage Policy and Urban Reliability Policy

October 28, 2000

Comparison of Policies	1994 Draft M&I Shortage Policy	1997 Urban Reliability Policy	2001 Final M&I Shortage Policy
Shortage Levels	Three Levels of Shortage 1. Regulatory - non weather related 2. Hydrological - weather related 3. Public Health and Safety - severe emergencies	Two Levels 1. Regulatory/Hydrological 2. Public Health and Safety - triggered when supplies are severely constrained	Two Levels Same as 1997 policy Define Public Health and Safety (See Position Paper #2)
Percent of Minimum Shortage Levels (Regulatory/ Hydrological)	Regulatory level minimum is the greater of 75 percent of contract entitlement or 85 percent of historic usage Hydrological shortage was 75 percent of historic usage	Combined the levels into one minimum level of reliability: 75% historic adjusted for growth and adjusted for quantities of water associated with extraordinary water conservation action and/or practice.	Same as 1997 policy Define historic use (See Position Paper #1) Define extraordinary water conservation practices (See Position Paper #3)
Water Conservation	Not considered in the policy; however interim renewal contracts required the contractors to be implementing a water conservation plan that meets the water conservation criteria.	To receive the minimum level of reliability, M&I Contractors must be have prepared and be implementing significant best management practices.	Same as 1997 policy
Historic Use Definition Position Paper #1.	Historic use adjusted for growth. Historic usage is calculated as the average CVP water deliveries during the last three years of normal water deliveries, adjusted for growth.	Historic use adjusted for growth and could be adjusted for use of alterna-tive water supplies. How to calculate historic use will be provided in Final M&I Shortage Policy. To encourage Contractors to develop alternative water supplies, Reclamation agreed it could adjust urban contractor's historic use quantity if an urban contractor demonstrates it used supplemental water supplies first before using CVP supplies. Use of supplemental water supplies can benefit the CVP during all water year types.	Historic use is calculated as average CVP water deliveries during last ***five*** years of normal year water deliveries, adjusted for growth and extraordinary water conservation practices. Not the 1987-1989 period as baseline. To encourage Contractors to develop alternative water supplies, Reclamation agreed it could adjust urban contractor's historic use quantity if an urban contractor demonstrates it used supplemental water supplies first before using CVP supplies. Use of supplemental water supplies benefits the CVP during all water year types.
Adjusted for Growth		"Adjusted for growth" refers to a process whereby Reclamation reviews historical delivery records for past water usage and allows contractors to provide documentation to support any increases in its historical record baseline populations/industry. It would be capped at the level of full contractual amounts. (Footnote 6, page 4.)	Same as the 1997 Policy.

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Public Health and Safety Definition (Position Paper #2)	Not addressed. M&I water allocations will go to public health and safety levels as calculated by the Contractor in their water conservation plan which meets the plan evaluation criteria set by the United States pursuant to Section 3405(e) of PL 102-575. Water allocations to Refuges would be reduced to allow M&I public health and safety allocations to continue. Water allocated for fish and wildlife activities pursuant to PL 102-575 will also fall below 600,000 acre-feet in order to meet M&I public health and safety water allocations. Agricultural water allocations will be determined on a case-by-case basis for sustaining the life of trees and vines.	Not addressed. Only stated that in previous years of critical water availability, Reclamation asked M&I Contractors to identify the minimum amount they need to supplement their other sources of water supply. Under severe critical year types, the water allocation may drop below 75% of historic usage.	Within one year of finalization of policy, Reclamation will require the Contractor submit its shortage allocation policy and include its public health and safety level. It would be updated every 5 years. Reclamation will look to State of CA for criteria. M&I will be shorted below 75% of historic use when agricultural allocation falls below 25%. When agricultural is approaching a minimal water allocation, the M&I allocation is approaching 50% of historic use. Public health and safety would be interior residential use, sanitation and water for fire protection.
Extraordinary Water Conservation Practices (Position Paper #3)	Not addressed.	Footnote 7 page 4 states “An extraordinary water conservation action or practice is considered to be any conservation action or practice implemented by an urban contractor that is more stringent than required by Reclamation’s “Criteria for Evaluating the Adequacy of All Water Conservation Plans” dated September 30, 1996, as amended, supplemented, or replaced.”	Same as 1997 Policy. Baseline begins with what is required to implement the Contractor’s water conservation plan consistent with the then current standard criteria for evaluating water management plans. Activities in addition to those best management practices (bmps) specified in the plan will be considered extraordinary conservation measures. There will be no metric since implementation of bmps is specific to each Contractor. Review case-by-case. The criteria for water management plans is dynamic and updated every 3 years with current state of the art for water conservation and management. So a water conservation measure considered extraordinary in 2001 may not be considered extraordinary in 2010.

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Water Transferred or Converted from Ag to M&I Use (Position Paper #4)	Not addressed.	The M&I Water Shortage Policy applies only to that portion of CVP water used historically for M&I purposes and identified as projected M&I demand as of September 30, 1994. Water transferred or converted to M&I use would retain its original shortage criteria.	Same as 1997 Policy. The September 30, 1994 date is still in effect.
Two Tier Level of Reliability (Position Paper #5)	Not addressed. However, arrived at 75% guaranteed water supply recognizing that some industry use needed a guaranteed 90 percent and some residential use, landscape, etc did not need a guaranteed 75% water supply. The Contractor would allocate its internal M&I uses.	To encourage M&I contractors firm up existing supplies, Reclamation proposed two tier level of reliability; first tier given to contractors as a minimum reliability level regardless of other supplies. Second tier would be a higher percentage and would require an M&I Contractor pay a charge for this additional level of reliability. Cannot jeopardize public health and safety.	Baseline for Reclamation to participate in the two tier proposal would be that it would not impact other CVP Contractors or Project purposes. Reclamation would facilitate the sale of CVP water from willing sellers. This would be the higher tier. This would not be an allocation of CVP water but could be a reallocation of CVP water or water transfer facilitated by Reclamation.

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